

JAN 13 2003

Ms. Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Subject: Oroville Facilities Relicensing, FERC Project No. 2100
Semi-Annual Progress Report

Dear Secretary Salas:

Enclosed is an original and eight CD-ROM copies of the Department of Water Resources' six-month Progress Report to the Federal Energy Regulatory Commission. The Department is submitting this six-month Progress Report, covering the period beginning July 12, 2002 through January 10, 2003, pursuant to FERC's Alternative Licensing Procedures, as required by Section 4.34(6)(ii) of FERC Order 596.

During the reporting period, our primary achievements were as follows:

- Released Final National Environmental Policy Act Scoping Document 1 and California Environmental Quality Act Notice of Preparation on September 20, 2002;
- Obtained Plenary Group consensus on 9 additional study plans totaling 71 approved study plans, 55 of which have been initiated in accordance with their schedules;
- Continued field studies to support the Department's license application;
- Developing framework for settlement agreement negotiations and screening criteria for potential protection, mitigation, and enhancement (PM&E) measures; and

Finally, as an interim settlement activity, the Department obtained approval to provide \$3 million to Feather River Recreation and Park District to fund recreation improvements at Riverbend Park in Oroville through 2007. The Department believes this interim settlement activity represents an important milestone achievement and illustrates the Department's desire to closely collaborate and cooperate with the Oroville community during the Relicensing process.

Ms. Magalie R. Salas

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If you have any questions or need additional information, you may contact me at (916) 653-5913.

Sincerely,

ORIGINAL SIGNED BY

Henry M. Ramirez, Manager
Oroville Facilities Relicensing Program
Executive Division

Enclosures

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bcc: (See attached list.)

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